

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7130

BILL NUMBER: SB 282

NOTE PREPARED: Feb 7, 2005

BILL AMENDED:

SUBJECT: Municipal Riverfront Development Projects.

FIRST AUTHOR: Sen. Long

FIRST SPONSOR: Rep. Borror

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill allows a Municipal Riverfront Development Project to be located in certain Community Revitalization Enhancement Districts.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary:* The bill could potentially expand the number of Municipal Riverfront Development Project Areas where alcohol beverage retail permits could be issued by the Alcohol and Tobacco Commission (ATC) without regard to permit quotas. The impact of this change is indeterminable. However, if this provision increases the number of alcoholic beverage retail permits issued, revenue to the ATC's Excise Fund would increase. A third of the revenue collected in the Excise Fund is deposited in the state General Fund, the remaining two-thirds is distributed to cities, towns, and counties based on population.

Background: The bill allows the ATC to issue permits, without regard to permit quotas, to restaurants located in Municipal Riverfront Development Project Areas, provided these restaurants are also located within a Community Revitalization Enhancement District (CRED). To obtain a permit in this way under current statute, a restaurant within a Municipal Riverfront Development Project Area also must be located within an Economic Development Area, a Blighted Area, an Urban Renewal Area, a Redevelopment Area, or an Economic Development Project District.

Under current statute, CREDs may be established in Indianapolis and roughly 21 second class cities. Current

statute also has specific provisions authorizing CREDs in the City of Marion and municipalities in Allen, Delaware, Monroe, and St. Joseph Counties. Currently, there are CREDs operating in Bloomington, Marion, and South Bend, and recently designated in Anderson and Muncie.

Explanation of Local Expenditures:

Explanation of Local Revenues: Two-thirds of the revenue distributed to the Excise Fund is distributed to cities, towns, and counties based on population. If more restaurants obtain permits, Excise Fund distributions to local entities could increase.

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected: Cities with CREDs.

Information Sources:

Fiscal Analyst: Jim Landers, 317-232-9869.